

**COUNCIL WORK SESSION  
CITY OF WATERTOWN  
January 10, 2011  
7:00 P.M.**

**MAYOR JEFFREY E. GRAHAM PRESIDING**

**PRESENT:**           **COUNCIL MEMBER ROXANNE M. BURNS  
COUNCIL MEMBER JOSEPH M. BUTLER, JR.  
COUNCIL MEMBER TERESA R. MACALUSO  
COUNCIL MEMBER JEFFREY M. SMITH  
MAYOR GRAHAM**

**ALSO PRESENT:**   **MARY M. CORRIVEAU, CITY MANAGER**

**Presentation:**

Samaritan Medical Center – Senior Housing Campus-

Thomas H. Carman, President & CEO of Samaritan Medical Center, Rick Tague and Peter Clough of Bernier, Carr & Associates were in attendance and answered questions posed by Council following the presentation.

Mr. Carman explained that SMC was awarded a state Health Department Health Care Efficiency and Affordability Law for New Yorkers (HEAL NY) grant of nearly \$34 million for the construction of a 60-bed facility in Carthage and the proposed 288 assisted living and skilled nursing village in Watertown which would consist of 168 skilled nursing beds and 120 assisted living beds. SMC will be the lead agency for this. In order to be approved, SMC had to demonstrate that they had enough land for the complex. He advised that at the present time, SMC has 8 acres on which the entire project could fit. However, it would be much tighter than they would like. Consequently, they are looking at purchasing land surrounding these 8 acres to allow for the complex to spread out. As a result of the proposed village, Whispering Pines and Mercy Nursing Home would be closed.

Mr. Carman advised that the HEAL NY grant was being looked at in the same time frame that Mercy was on the verge of closing down. He also explained that Mercy must be closed down when this is ready and the funds for the project must be expended in two years. He stated that the lease agreement for Mercy is only for 24 months.

Some of the land being proposed for purchase is owned by the school district and they have taken action to move forward to selling this land to SMC.

Mr. Clough advised that Bernier Carr is not the engineering or architectural firm for the project. RLPS, Pennsylvania, will be the architectural firm and they will utilize GYMO for the site work and civil design. Bernier Carr will act as construction and project manager. Mr. Clough reviewed the time line of the project with Council showing a project completion date of November 9, 2012. He advised that they will be meeting with the school in February in regards to having an appraisal done so that the referendum process can be started.

Council Member Burns remarked that she would assume the City would also want their land appraised as well. She suggested using the same appraiser as the school.

Mayor Graham asked about the strip of land that the City owns which runs down to Washington Street and is a utility corridor.

Mr. Clough explained that SMC is not interested in that as nothing can be put there. He remarked that when they met with the Planning Board, a suggestion was made to use that area as a trail.

Council Member Smith asked about SMC's storage barn near the site.

Mr. Clough explained that demolition of it had been discussed.

Council Member Smith asked about the water/sewer lines flow capacity.

Mr. Clough remarked that water and sewer is available on Washington Street and the issue is water pressure. However, they have talked with Engineering and the impact may have been mitigated by the work that was previously done. Testing will be done in the spring.

Mrs. Corriveau remarked that she didn't know if the City would have the answers by that time.

Mr. Tague advised that this additional land would allow the project to spread out and would increase the senior living village concept.

Mrs. Corriveau asked if they were still considering purchasing land from the Sisters of St. Joseph.

Mr. Carman advised that they had decided not to.

Mayor Graham advised that SMC is asking for a private sale of property. This would require a 4/5 vote and SMC would have to come to the City with an offer.

Mrs. Corriveau commented that when the City sells parcels like this, they require the owners to incorporate them into one parcel.

Mr. Tague commented that when the appraisal of the school district property is completed, they will have a good idea of the cost of an acre of land.

Council Member Burns responded that she wouldn't be comfortable with the sale without an appraisal of the City's property.

Council Member Butler suggested having SMC pay for the appraisal.

Mr. Carman remarked that they could if it was a condition of the sale.

Mayor Graham commented that appraisals can vary.

Council Member Burns stated that the City should hire an appraiser to tell us what the property is worth.

Mrs. Corriveau suggested that the City could hire the appraiser and have the report come to us. The hospital could pay the cost.

Mayor Graham remarked that it is assessed for \$62,700.

Council Member Burns responded that if Council was willing, they could consider the sale of this property at the assessed value. However, she would like to have it appraised.

Mayor Graham commented that if an entity wanted to make an offer, he would consider a private sale and then if Council wanted an appraisal to make sure of the value, they could have one.

Council Member Burns remarked that while she supports the project, Council needs to make sure that they are looking out for the taxpayers' best interest as well as the best interest of the facility.

Mayor Graham commented that if SMC does purchase the school property, they should petition for annexation as it would make things much easier.

Discussion centered on Mercy. Mr. Carman advised that they are now at about 140 beds and will be up to 170. The capacity is consolidated in the hospital portion of the building and is 180. The outpatient behavioral health center is still located on the second floor.

Mr. Carman explained that they would spend more money on renovating this old facility than what the new project would cost. He also advised that there would be a problem of where to put the residents as the renovations were being made.

Council Member Smith commented that if the Mercy building is vacant, there would have to be outside funding sources needed to demolish or renovate.

Mayor Graham remarked that the current deed is held by the Serrano group. GE Capital is one of the lien holders and it is tax sale proceedings. He also advised that from a municipal planning perspective, it would have been better to do the project at the Mercy site. He suggested that all the necessary information be gathered on the Mercy building.

Discussion Items:

1. EAP :

Council reviewed the report on this and concurred that the City Manager should begin discussions with Northern Employee Assistance Services about a new agreement.

2. Retirement:

Council reviewed the 2012 Retirement System Contribution report prepared by Mr. Mills, who answered questions posed by Council.

Reports:

1. City Manager Update Report January 2011:

Council received this report.

**EXECUTIVE SESSION**

**MOTION WAS MADE BY COUNCIL MEMBER BURNS TO MOVE INTO EXECUTIVE SESSION TO DISCUSSED THE EMPLOYMENT HISTORY OF PARTICULAR INDIVIDUALS. MOTION WAS SECONDED BY COUNCIL MEMBER BUTLER AND CARRIED WITH ALL VOTING IN FAVOR THEREOF.**

Work session ended at 8:27 p.m.

**Donna M. Dutton**

City Clerk